

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

April 27, 2001

Gayle McKeachnie McKeachnie, Allred, McClelland & Trotter Consultant for Ziegler Chemical & Mineral Corporation 121 West Main Street Vernal, Utah 84078

Re: <u>Drill Hole for Construction of Underground Seals LB-38 Area, Ziegler Chemical & Mineral Corporation, Ziegler Gilsonite Operations, M/047/013, Uintah County, Utah</u>

Dear Mr. McKeachnie

Thank you for your letter received April 20, 2001, which described the proposed construction of underground seals using a drill hole at Ziegler's LB-38 mine site. Based on your letter we understand Ziegler intends to drill a hole into the underground workings and use this hole to pump concrete into the workings to create several pillars between the Ziegler workings and the American Gilsonite B-38 underground workings.

The amount of surface disturbance created by this project would seem to be minimal, and there may be no new disturbance created outside of the current 1.14 acre LB-38 mine site depending on the actual location of the drill rig. The Division believes this project will not significantly affect the approved mining and reclamation plan for this site.

The Division does not require additional information in consideration of this project; however, Ziegler will need to plug the hole and reclaim the affected surface area according to the appropriate Minerals Rules. Ziegler may begin the project at their convenience. Please provide the Division with a brief description of the results after the project is completed.

If you have any questions in this regard, please contact me at (801) 538-5286, or Tony Gallegos at (801) 538-5267. Thank you for this notification.

Sincerely.

D. Wayne Hedberg Permit Supervisor

Minerals Reclamation Program